

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: September 20, 2018

Item Number: 039

Purchasing Office

Authorize award and execution of two multi-term contracts with Austin Truck and Equipment Inc. Ltd. D/B/A Freightliner of Austin and Lonestar Freightliner Group, LLC D/B/A Lonestar Freightliner of Temple, to provide original equipment manufacturer parts and repair services for Daimler Truck of North America vehicles and vehicle components, for up to five years for total contract amounts not to exceed \$2,015,000 divided between the contractors. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$33,583 is available in the Fiscal Year 2017-2018 Operating Budget of Fleet Services. Funding for the remaining contract terms are contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued an Invitation for Bids (IFB) 7800 MMO0127REBID for these goods and services. The solicitation issued on April 16, 2018 and it closed on May 1, 2018. The recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: Solicitation Documents < https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=125133 >.
For More Information	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov < mailto:AgendaOffice@austintexas.gov >

	NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Marian Moore, at 512-974-2062 or Marian.Moore@austintexas.gov <mailto:Marian.Moore@austintexas.gov>.
Client Department(s)	Fleet Services.

Additional Backup Information:

These contracts are for the supply of original equipment manufacturer (OEM) parts and repair services for city-owned vehicles with Daimler Trucks of North America (DTNA) brand components including Freightliner truck cabs and chassis, Detroit diesel engines and Mercedes diesel engines. The contractors will provide repair services to supplement the work performed by City technicians. The City currently has approximately 110 vehicles with DTNA engines and components including fire apparatus and ambulances in the fleet inventory.

These contracts will consolidate requirements from multiple contracts, one of which has expired. The requested authorization amount was determined using departmental estimates based on historical spend and will also allow for a small annual growth for parts and repair services requirements associated with aging vehicles and future vehicle acquisitions.

These contracts are necessary to supply the City with a reliable supply of OEM parts and repair services to minimize vehicle down time. If the City is unable to secure a contract, the City will be forced to procure these parts and repair services on an as needed basis, which may result in higher prices, higher operational costs and increased vehicle down time.

Contract Detail:

Contract Term	Length of Term	Contract Authorization
Initial Term	2 yrs.	\$ 806,000
Optional Extension 1	1 yr.	\$ 403,000
Optional Extension 2	1 yr.	\$ 403,000
Optional Extension 3	1 yr.	\$ 403,000
TOTAL	5 yrs.	\$2,015,000

Note:Contract Authorization amounts are based on the City's estimated annual usage.